

Message Text

LIMITED OFFICIAL USE

PAGE 01 MOGADI 01134 181032Z

44

ACTION OPIC-12

INFO OCT-01 AF-10 ISO-00 EB-11 AID-20 COME-00 TRSE-00 L-03

OMB-01 CIEP-02 /060 W

----- 031917

R 180956Z JUL 74

FM AMEMBASSY MOGADISCIO

TO SECSTATE WASHDC 2098

LIMITED OFFICIAL USE MOGADISCIO 1134

E.O. 11652: N/A

TAGS: EINF EFIN US SO

SUBJ: OPIC/PRODMA

REF: A. MOGADISCIO 1120; B. STATE 152600

1. MINISTER OF FISHERIES SIGNED ON JULY 16 SALE AGREEMENT PROPOSED BY OPIC LAWYER (TEXT REF B). PROBLEM REGARDING PAYMENT AROSE IMMEDIATELY THEREAFTER WHEN LAWYER LEARNED THAT OFFICIAL INSTRUCTION FROM MINISTRY OF FINANCE TO SOMALI NATIONAL BANK REGARDING TRANSFER OF FUNDS INCLUDED PROVISION THAT EMPLOYEE TERMINATION BENEFITS BE PAID FIRST. SINCE FINAL SETTLEMENT WITH EMPLOYEES LIKELY TO TAKE TWO WEEKS AT BEST, THIS INSTRUCTION TO SOMALI NATIONAL BANK EFFECTIVELY CONTRAVENES PROVISION OF SIGNED AGREEMENT FOR TRANSFER OF FUNDS IN FORTY-EIGHT HOURS.

2. LAWYER CAME TO ORAL UNDERSTANDING WITH MINISTRY OF FINANCE FOR COMPROMISE WHEREBY 30,000 SHILLINGS OUT OF AGRQED 2,000,000 WOULD REMAIN IN SPECIAL ACCOUNT HERE UNTIL EMPLOYEES LETELY TERMINATED. MEANWHILE, DOLLAR EQUIVALENT OF 1,970,000 SHILLINGS WOULD BE TRANSFERRED AT ONCE PER SIGNED AGREEMENT. EXECUTION DEPENDS ON NEW WRITTEN INSTRUCTION FROM MIN FINANCE TO SOMALI NATIONAL BANK.

3. AS OF NOW, WE BELIEVE THIS SNAG IS PROBABLY ONLY RED TAPE INVOLVING SUBJECT ON WHICH GSDR IS GENUINELY SENSITIVE, I.E.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOGADI 01134 181032Z

RIGHTS OF SOMALIS EMPLOYED IN SOMALIA BY FOREIGNERS. ON PRE-

SENT ASSUMPTION OF BASIC GSDR GOOD FAITH, WE THINK LAWYER IS
TAKING PROPER COURSE IN TRYING TO OVERCOME EMPLOYEE THERMINATION
PROBLEM IN NEAR FUTURE, WITHOUT PROTESTING BREACH OF AGREEMENT
AT THIS STAGE.

4. RE DISTINCTION, REF B, BETWEEN EMPLOYEE BENEFITS DERIVED
FROM PERIOD BEFORE TRANSFER OF OWNERSHIP TO OPIC OCTOBER 1, 1973,
AND PERIOD THEREAFTER: WE BELIEVE THIS SHOULD BE MATTER OF OPIC
INTERNAL BOOKKEEPING. EMBOFF HAS DISCUSSED SUBJECT WITH LAWYER,
WHO WHHL ARRANGE SEPARATE ACCOUNTING FOR EARLIER PERIOD, SO THAT
OPIC MAY BILL FEARN. RECOMMEND AGAINST MAKING ANY DISTINCTION
TO GSDR WHICH MIGHT CREATE DOUBT IN SOMALI MINDS THAT FULL TER-
MINATION BENEFITS WILL BE PAID PROMPTLY.

5. REGARDING LIBAN VACATION CLAIM (REF B), REMAINS TO BE SEEN
WHETHER HE WILL ACCEPT LAWYER'S VIEW THAT CLAIM IS UNFOUNDED.

6. HOPE TO HAVE FURTHER INFORMATION ON TRANSFER OF FUNDS COM-
PROMISE BY JULY 20. WILL ASSESS THE SITUATION AT THAT TIME.
KIRK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION, FISHING COMPANIES, INDEMNIFICATION
Control Number: n/a
Copy: SINGLE
Draft Date: 18 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MOGADI01134
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740193-0480
From: MOGADISCIO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740738/aaaabglx.tel
Line Count: 81
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. MOGADISCIO 1120; B. STATE 152600
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 03 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 SEP 2002 by boyleja>; APPROVED <26 MAR 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OPIC/PRODMA
TAGS: EIND, EFIN, US, SO, PRODMA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005